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Held at Headquarters, New York, on Monday, 4 March 2013, at 10 a.m.

Chair: Mr. Berger. (Germany)
Chair of the Advisory Committee on Administrative and Budgetary Questions: Mr. Ruiz Massieu

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The meeting was called to order at 10.15 a.m.

Tribute to the memory of Fatih Bouayad-Agha

1. **The Chair** paid tribute to the memory of Mr. Fatih Bouayad-Agha, a member of the International Civil Service Commission.

Organization of work (A/C.5/67/L.21)

2. **The Chair** invited the Committee to consider the proposed tentative and provisional programme of work for the first part of the resumed sixty-seventh session, prepared on the basis of the note by the Secretariat on the status of preparedness of documentation (A/C.5/67/L.21). He informed the Committee that all of the reports of the Secretariat for the first part of the resumed session had been issued. Nine of the 13 reports had been submitted on time; one had been issued six weeks before the start of the resumed session, while the others had been issued 15 to 20 days in advance. The main reasons for late issuance were the late submission or excessive length of documents, or other reasons outside the control of the Secretariat. Advisory Committee reports would be completed as quickly as possible.

3. **Mr. Thomson** (Fiji), speaking on behalf of the Group of 77 and China, said that, as in the past, the Bureau should amend the programme of work throughout the session in order to reflect the consultation process. Adequate time should be allocated for thorough and successful discussion of the new and deferred items to be taken up by the

accountability and the reports of the Joint Inspection Unit (JIU) and the Senior Advisory Group.

4. While the Group of 77 and China noted the improvement in the status of documentation for the resumed session, it was concerned that some reports had been issued late and some had yet to be issued. For the Committee to work effectively and make well-informed decisions, it was essential that all documents should be issued in a timely manner in all official languages, in accordance with the rules of procedure of the General Assembly.

5. **Mr. León González** (Cuba), speaking on behalf of the Community of Latin American and Caribbean States (CELAC), said that the programme of work included many topics of great importance to CELAC. Discussions of issues deferred from the main part of

the session, notably human resources management and the United Nations common system, should be based on the agreements already reached on those items and every effort should be made to achieve a compromise on outstanding issues in a constructive and pragmatic manner.

6. The status of documentation for the session remained a matter of concern as the late issuance of reports was detrimental to the Committee's decision-making. It was imperative that the Secretariat should address the problem and make every effort to submit reports on time, in accordance with the Assembly's rules of procedure and its resolutions on the matter.

7. **Mr. Vrillas** (Observer for the European Union), speaking also on behalf of the acceding country Croatia; the candidate countries Iceland, Montenegro, Serbia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process country Bosnia and Herzegovina; and, in addition, Ukraine, said that, despite the increasing constraints affecting national budgets, the Committee had achieved consensus on a number of difficult issues during the main part of the session. He expressed the hope that delegations would continue to work in the spirit of compromise and complete their deliberations within the time allotted for the first part of the resumed session.

8. He welcomed the consensus on troop costs and related issues reached by the Senior Advisory Group and expressed the hope that the Assembly would endorse the Group's report as a whole, particularly in

recommendations.

9. Other key priorities included establishing an effective accountability system; finding the most favourable, sustainable and financially viable accommodation arrangements for staff at Headquarters; ensuring a more effective and efficient use of resources for air travel; and further strengthening safety and security. His delegation also looked forward to exchanging views on information and communications technology (ICT) and the steps being taken to make ICT systems more secure.

10. On the issue of procurement, his delegation was of the view that the Organization's procurement activities should be sustainable and should promote environmental protection, social progress and economic development through more efficient use of

resources, the optimization of costs and a higher quality of products and services.

11. Lastly, his delegation noted with concern the new cost estimates for repairing the damage caused by storm Sandy. It was to be hoped that the lessons learned from that event would ensure that the Organization was protected, both physically and financially, against any future natural disasters.

12. **Mr. Román-Morey** (Peru) said that the programme of work contained many critical items, in particular progress towards a system of accountability, an issue that should be accorded greater importance if the Organization was to function more effectively and efficiently. As the representative of a troop-contributing country, he welcomed the report of the Senior Advisory Group on rates of reimbursement. The report of JIU — the only independent external oversight body of the United Nations system — was also important.

13. It was regrettable that the Committee had had to defer a number of issues from the main part of the session. Negotiations should not be reopened on questions on which delegations had already reached agreement; instead, the Committee should focus on resolving outstanding issues.

14. Lastly, although the Secretariat had issued most of the documents for the session on time, the delay in issuing several of them had led to the late submission of related reports of the Advisory Committee. The Fifth Committee depended on the timely issuance of reports in order to complete its work within the allotted time.

15. **Ms. Lingenfelder** (South Africa) said that her delegation looked forward to discussing the Senior Advisory Group's recommendations on the reimbursement of troop-contributing countries and trusted that they would lead to more predictable reviews of troop costs in future. Any new process in that respect should not be hampered by procedural considerations but should focus on substantive outcomes.

16. On ICT, it was important to put a uniform system in place in order to enable the Organization to deliver on its mandates. Modern technology could also be used to develop disaster preparedness and recovery plans, which should include reliable back-up procedures, secure information environments and ICT training. The Organization's capacity to deal with natural disasters

had been put to the test by storm Sandy. Her delegation welcomed the appointment of a senior-level task force to examine the lessons learned and the necessary additional emergency response measures. The needs of persons with disabilities should also be addressed in respect of both ICT and emergency response.

17. Steps should be taken to strengthen accountability and oversight and to guard against duplication within the Organization. Apparent difficulties in harmonizing cross-cutting issues should be addressed, as they could lead to duplication and thus have a negative impact on the budget.

18. Lastly, aware of the need to broaden and deepen the pool of civilian experts to support capacity-building in countries emerging from conflict, her delegation welcomed the initiative to develop civilian capacity for that purpose and affirmed the principle of national ownership of capacity-building efforts.

19. **Mr. Aiki** (Japan) said that the Committee should make every effort to conclude its deliberations in a timely fashion. The report of the Senior Advisory Group was particularly important as the recommendations it contained would enable the United Nations to carry out sustainable peacekeeping operations. It was imperative that the Assembly should endorse those recommendations as a whole for implementation from 1 April 2013.

20. The Committee would also discuss accountability, procurement and Headquarters accommodation, in an effort to make the Organization more accountable, efficient and sustainable. On human resources management, the Committee had agreed *ad referendum* on the paragraphs pertaining to the proposed mobility framework in the draft resolution on human resources management negotiated during the main part of the session. That agreement should be maintained in order to allow the Committee to focus on outstanding issues.

21. **Mr. Torsella** (United States of America) said that the Committee must put an end to a number of practices that had become commonplace and had contributed to its inability at recent sessions to carry out its work in a timely and appropriate fashion. His delegation was prepared to take all appropriate steps, including meeting outside normal working hours and facilitating parallel meetings, to ensure that the Committee completed its programme of work on schedule. However, if representatives did not arrive on time for meetings, or simply refused to meet on a

specific item in order to delay the negotiations, it could only be assumed that they did not share that commitment to negotiating in good faith and his delegation would respond accordingly. In addition, the negotiating rooms should be inebriation-free zones in the future; the champagne should be opened only upon the successful conclusion of the session.

22. His delegation remained committed to consensus-based decision-making in the Fifth Committee. Consensus, commonly defined within the United Nations as the absence of objection, was the best way to ensure that the interests of all parties were met. That assurance had long been and remained fundamental to securing the confidence of major financial contributors, such as his Government, in the work of the Organization. Only those resolutions agreed by all stakeholders by consensus could be considered legitimate and there would be major consequences for the United Nations should "majority" be substituted for "consensus". Submitting or threatening to submit alternate draft resolutions to the Committee before a negotiated draft resolution had been adopted informally would be a clear contravention of the principle of consensus-based decision-making.

23. The Fifth Committee's work was linked to the work of all of the Organization's bodies. His delegation therefore viewed its participation in the Committee in the context of its broader multilateral engagement at the United Nations and of his Government's foreign policy. Lastly, in view of the Committee's oversight role, delegations should use the scheduled formal

administrative and budgetary matters of particular interest. The United Nations would benefit if the Committee paid more attention to the larger issues and trends driving the Organization's costs and performance.

24. **Mr. Masood Khan** (Pakistan) said that negotiations on agenda items deferred from the main part of the session, particularly human resources management, should continue from where they had been left off. It was to be hoped that delegations would exercise flexibility and political will in order to achieve broad-based consensus. Moreover, the Bureau's decisions on the deadlines for the conclusion of informal consultations and on the deferral of items should be taken in an open, transparent and inclusive manner, in accordance with past practice. The Chair

should ensure that sufficient time was allocated for the examination of each agenda item.

25. Owing to the late submission of reports during the main part of the session, the Committee had had to examine some important budgetary issues at the eleventh hour. Those delays had adversely affected the quality of General Assembly resolutions and the Committee's organization of work. Reports and documents should be issued on time in order to allow the Committee to exercise due diligence.

26. **Mr. González Segura** (Mexico) said that, as the issues and projects currently under consideration would shape the Organization in the medium and long term, it was vital that the lessons learned during the implementation of recent large-scale projects, such as Umoja and the capital master plan, should be fully internalized by the Administration and applied when planning the Organization's future accommodation requirements and major projects.

27. The draft resolutions deferred from the main part of the session should be agreed upon expeditiously so that the Committee could focus its attention on the new items before it. While his delegation was in favour of implementing the mobility policy in order to meet the complex and changing needs of Member States, the Secretary-General must provide more details on the logistical and financial implications of the scheme. Lastly, in order for the Secretariat to carry out its mandates effectively and efficiently, further progress was needed in ensuring accountability, transparency in the use of resources and effective appraisals of staff

28. **Mr. Pehlivan** (Turkey) said that, regrettably, the methodology for the preparation of the scale of assessments for contributions to the regular budget had not been discussed in depth in the Committee during the main part of the sixty-seventh session and would be postponed again as a result of Member States' changing economic fortunes. As the current methodology failed to reflect the principle of capacity to pay, it should be overhauled expeditiously and the Assembly should provide guidance on the elements of methodology used by the Committee on Contributions.

29. The Fifth Committee should quickly conclude its work on human resources reform, including the proposed mobility scheme. The equitable geographic distribution of United Nations staff remained a matter of concern. He urged the Secretary-General to examine

the problem and address any systemic deficiencies. There was also a pressing need to harmonize staff compensation and apply consistent criteria and procedures to ensure that all staff, particularly those who worked in the same duty station, were treated equally. Compensation packages should be standardized and the compensation system should be simplified and modernized, while ensuring transparency and equity.

30. He welcomed the efforts to establish an accountability framework, grounded in results-based management and enterprise risk management, but acknowledged that it would be difficult to implement in an organization as complex and diverse as the United Nations. Accountability should therefore be linked to the budget process and should be an integral part of Umoja and human resources reform. Lastly, procurement should be made more cost-effective and efficient, while maintaining fairness, transparency and integrity. He welcomed the increase in the number of procurement contracts being awarded to companies in developing countries and expressed the hope that the simplified registration process would result in a more equitable geographic distribution of vendors. His delegation supported the establishment of a monitoring and oversight framework for procurement activities as part of Umoja, using existing resources.

31. **Ms. Moreno Guerra** (Cuba) said that the Committee, which should work with the same efficiency that it demanded of the Secretariat and set an example for the effective use of resources, had demonstrated serious management deficiencies during the main part of the session. The desire of some Member States to reform the Organization and some of its most fundamental administrative and budgetary procedures, and to change finely balanced resolutions out of context, were among the root causes of that situation, which was a matter of concern to her delegation, as was the submission of a set of provisions that would violate the acquired rights of United Nations staff.

32. The submission by the Secretariat of insufficiently developed proposals on substantive issues and the excessive delay in the issuance of documents showed a lack of regard for the Assembly's requests and resolutions on that matter and affected the Committee's work. While all Member States must demonstrate sufficient political will to avoid repeating mistakes and to ensure that the Committee's

deliberations were efficient, the Secretariat must comply with the rules on the timely provision of documentation in all official languages and respond to requests for additional information from Member States in a timely and comprehensive manner.

33. The Committee's deliberations would be more efficient if they were made more transparent. To that end, all discussions held at Headquarters should be open to participants from all Member States and, when preparing the programme of work, the Bureau should ensure that two or more informal meetings were not scheduled at the same time. Noting with concern the proliferation of informal meetings with Secretariat officials, she said that such discussions and the information provided should be reflected in the summary records of formal meetings in order to consolidate the Committee's institutional memory. While her delegation did not oppose informal consultations, they should complement rather than replace formal meetings.

34. Lastly, her delegation requested the Bureau to organize a formal meeting with the Secretariat so that Member States could be kept abreast of how General Assembly resolution 67/247 on the programme budget for the biennium 2012-2013 was being implemented, in the light of the considerable challenges facing the Organization and the important mandates it had been given by Member States.

35. **The Chair** said he took it that the Committee wished to approve the proposed programme of work on the understanding that it would be adjusted by the Bureau as necessary during the course of the session.

36. *It was so decided.*

Agenda item 111: Appointments to fill vacancies in subsidiary organs and other appointments (continued)

(a) Appointment of members of the Advisory Committee on Administrative and Budgetary Questions (continued) (A/67/101/Add.1)

37. **The Chair** drew attention to document A/67/101/Add.1, which indicated that Ms. Namgya Khampa (India) had resigned from the Advisory Committee on Administrative and Budgetary Questions and that the Government of India had nominated Mr. Vinay Kumar, who had been endorsed by the Group of Asia-Pacific States, to complete the unexpired portion of Ms. Khampa's term of office. He

said he took it that the Committee wished to recommend the appointment of Mr. Kumar to the Advisory Committee for a term of office beginning on the date of appointment and ending on 31 December 2013.

38. *It was so decided.*

39. *Mr. Kumar was recommended for appointment to the Advisory Committee on Administrative and Budgetary Questions for a term of office beginning on the date of his appointment and ending on 31 December 2013.*

Agenda item 136: Joint Inspection Unit (A/67/34 and A/67/724)

40. **Mr. Posta** (Chair, Joint Inspection Unit), introducing the JIU report for 2012 and programme of work for 2013 (A/67/34), said that the Unit had produced 17 reports and notes and one management letter in 2012, mainly on system-wide issues. Its website had been revamped and a web-based tracking system had been launched in order to show the status of implementation of its recommendations. Outreach and communication had improved and collaboration with the United Nations System Chief Executives Board for Coordination (CEB) had been strengthened. Cooperation with other coordinating and oversight bodies had become more systematic to ensure synergies and avoid duplication. In response to the Assembly's request in its resolution 66/259 that the Unit's reports should be issued well in advance of meetings of legislative bodies, JIU was working with

comments from organizations in order to expedite the finalization of reports. The Unit had completed its internal guidelines on evaluation, which were aligned with those of the United Nations Evaluation Group, and would soon finalize its guidelines on investigations; both sets of guidelines were in line with best international practices.

41. The programme of work for 2013 included 12 new projects — 10 system-wide reports and 2 single-organization reports. The Unit had taken a new approach to planning by including in its programme two feasibility studies that would assess client interest and the resources required to undertake specific complex reviews; if approved, the reviews would be conducted in 2014.

42. JIU would continue to maximize the use of the web-based tracking system to monitor participating organizations' acceptance and implementation of recommendations; the system now included online access for Member States that would allow them to do the same. While an ad hoc budgetary allocation had provided for the establishment of the tracking system, no provision had been made for maintenance and upgrading; additional resources would be needed to maintain the system and to ensure quality control, a function that the Unit could not perform within its current budget.

43. As the only system-wide independent oversight body, JIU welcomed requests that it should play a role in the implementation of mandates resulting from the quadrennial comprehensive policy review. Pursuant to one such request, the Unit, as part of the interim coordination mechanism for system-wide evaluation, would submit a proposal for pilot evaluations. Nevertheless, although the strengthening of JIU in recent years had left it well positioned to exercise its mandated role, it was no longer able to do more with the same resources. Given the imperative of prudent financial decision-making, United Nations system organizations required greater oversight than ever in order to make informed choices regarding resource allocation. While funding for internal oversight had increased significantly in the past two decades, funding for external oversight had not, despite increased demand. One primary reason was that those who were subject to oversight had a say over the Unit's budget; its budget proposals were reduced by the Secretary-

increases, before being submitted to the Assembly. That procedure seriously curtailed the independence of JIU and affected its ability to deliver on its mandates; consequently, he requested that the Unit should be allowed to submit its budget proposal, with the comments of the Secretary-General, through the Advisory Committee on Administrative and Budgetary Questions.

44. **Mr. Herman** (United Nations System Chief Executives Board for Coordination), introducing the note by the Secretary-General on the JIU report (A/67/724), said that, in order to support JIU during the preparation of its programme of work for 2013, CEB had solicited suggestions from agencies and provided useful topics for consideration by the Unit. To promote the speedier transmission of comments on JIU

reports, CEB had urged organizations to respond more quickly to requests for comment. It was increasingly common for the CEB secretariat to work closely with the Unit's inspectors as they drafted reports in order to yield a comprehensive and agreed outcome.

45. Collaboration between the two bodies had intensified recently as a consequence of the Unit's increased study of system-wide issues. In 2012, the CEB secretariat had prepared comments for 13 JIU reports within the timelines set out in the Unit's statute. Those activities had been performed using existing, very limited, capacities. As JIU continued to implement its strategic framework for 2010-2019 and heighten its system-wide focus, there would be further strain on CEB resources.

46. The Secretary-General, in his capacity as CEB Chair, had called upon member organizations to ensure good communication with the Unit, respond quickly to requests for information and ensure timely follow-up on its recommendations. Where appropriate, JIU inspectors were invited to participate in meetings of the Board's subsidiary machinery. Continued dialogue between CEB and JIU had improved their collaboration and thus contributed to building a stronger United Nations system working as one.

47. **Mr. Thomson** (Fiji), speaking on behalf of the Group of 77 and China, said that JIU reports of a system-wide nature would promote greater coordination among United Nations system organizations, which should fully implement the recommendations they had accepted. He welcomed the progress achieved in the implementation of the Unit's strategic framework and the launching of the web-based tracking system; those organizations that had already provided their inputs to the Unit by early 2013 were to be commended and the rest should do the same expeditiously.

48. He noted with concern that, given the current rate of review of participating organizations, JIU would review the management and administration of each organization once every 14 years. It would be useful to know the minimum standard frequency required for appropriate oversight. The Group was also concerned that the JIU budget had not increased in 20 years, even as the Unit strove to meet increased demand for system-wide evaluations. The Advisory Committee and the Secretariat should immediately analyse the Unit's

budget submission process, which did not appear to be in full conformity with its statute, in order to ensure the operational independence of JIU and the allocation of appropriate resources for the implementation of its mandate.

49. The Group welcomed the input provided by participating organizations into the Unit's programme of work for 2013 and the efforts made by JIU to improve its working methods, harmonize its practices with the standards of the United Nations Evaluation Group and coordinate with other oversight bodies. Noting that the Assembly, by its resolution 67/226, had established an interim coordination mechanism for system-wide evaluation of operational activities for development, he invited all stakeholders in the mechanism to bear in mind that the Unit was the sole independent external oversight body of the United Nations system mandated to conduct system-wide evaluations, inspections and investigations.

50. **Mr. Román-Morey** (Peru) said that, in order to ensure the efficient, effective and impartial functioning of JIU, a proper budget for the Unit should be part of the Secretary-General's budget proposal. It was surprising that the JIU budget was systematically reduced and altered before being incorporated into the programme budget; even more astonishing was that, rather than strengthen JIU, Member States placed obstacles in its path and then demanded results. Reform of the United Nations should include the strengthening of the Organization's external oversight body. Despite those difficulties, JIU had issued 17 reports in 2012 and was finalizing 4 others, and had enhanced its efficiency in recent years through its strategic framework for 2010-2019.

51. Member States could not continue to expect JIU to do more with less; a more honest expectation is that it would strive to do the same with less. As the Secretary-General had recently acknowledged in an address to the General Assembly, it was no longer possible to do more with less, particularly when Member States established new mandates without increasing the budget. His delegation was not opposed to reform of JIU, as improvement was always possible, but Member States would be well advised first to ensure that legislative bodies fully considered and discussed the Unit's reports and adopted measures based on its recommendations.

Agenda item 130: Programme budget for the biennium 2012-2013 (continued)

Standards of accommodation for air travel (A/67/356, A/67/636 and A/67/695)

52. **Mr. Baez** (Chief, Policy and Oversight Coordination Service), introducing the Secretary-General's report on standards of accommodation for air travel (A/67/356), said that the report covered the two-year period ended 30 June 2012 and provided comparative statistics for the two-year period ended 30 June 2010 and trend analyses for the previous ten years. Tables 1 and 2 combined the travel data of the Secretariat and other United Nations entities for the respective time periods. The Deputy Secretary-General's first class travel had been reported as an exception to the standards for the period from 1 July 2010 to 3 April 2011, as after that date the Assembly had, by its resolution 65/268, extended to the Deputy Secretary-General the entitlements regarding official travel accorded to the Secretary-General by resolution 42/214.

53. The Office of Internal Oversight Services (OIOS), in its report on the comprehensive audit of air travel activities and related practices (A/67/695), had concluded that policies and procedures for the granting of exceptions were adequate and implemented consistently. The Under-Secretary-General for Management, under the authority delegated to him, scrutinized all requests for exceptions on their merits — while ensuring that they complied with the regulations, rules and procedures — and exercised

54. **Mr. Ruiz Massieu** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/67/636), said that the report addressed the increasing number and cost of exceptions to the standards of accommodation for air travel. The Advisory Committee recommended that the Assembly should request the Secretary-General to analyse trends regarding such exceptions and their impact on travel costs, take action to limit their increased use, and ensure compliance with the related rules and procedures. The Advisory Committee also recalled its recommendations on the advance purchase of tickets contained in its previous report (A/66/729).

55. **Mr. Kanja** (Assistant Secretary-General for Internal Oversight Services), introducing the report of

OIOS on the comprehensive audit of air travel activities and related practices (A/67/695), said that limitations in information systems had historically made it difficult to gather comprehensive data on air travel expenditure, which was a significant expense category. OIOS had estimated that, for the biennium 2010-2011, such expenditure had amounted to \$535 million for Headquarters, offices away from Headquarters and regional commissions, and \$40 million for special political missions. For peacekeeping missions, it had amounted to \$91 million and \$103 million for the financial years ended 30 June 2010 and 30 June 2011, respectively. It had concluded that the Secretariat's governance, risk management and control processes were partially satisfactory in providing reasonable assurance that air travel activities were managed effectively.

56. The report set out a number of key audit results. By the end of December 2012, the Secretariat had fully or partially addressed all but one provision of General Assembly resolution 65/268 regarding standards of accommodation for air travel. The unaddressed provision pertained to reporting to the Assembly on total air travel expenditure under the regular budget for the bienniums 2010-2011, 2008-2009 and 2006-2007. In February 2013, the Secretary-General had completed one outstanding action by delegating authority to grant exceptions for air travel to the Under-Secretary-General for Management.

57. Mechanisms had been established for making travel arrangements; however, there was a need to

from airlines. Formal guidance on travel policies should be issued, including the definitions of key terms, such as the lowest logical airfare, and vendor performance should be monitored. Travel managers should coordinate their operations more closely and share best practices. While the bidding processes for travel management services contracts generally complied with the Financial Regulations and Rules, the criteria for conducting legal compliance reviews during the bid evaluation should be clarified. Policies and procedures regarding the granting of exceptions to standards of accommodation for air travel were adequate and implemented consistently.

58. The cost-benefit analysis of the lump-sum option for travel and relocation had indicated that 91 per cent of eligible travellers at the main duty stations utilized

that option and that, on average, the amount payable was 77 per cent of the estimated cost of air tickets and other entitlements. The unaccompanied shipments entitlement, which accounted for around 53 per cent of the cost of United Nations-arranged travel, was not used widely. When that cost was excluded, lump-sum amounts were 183 per cent of the estimated travel costs. Approximately 89 per cent of eligible travellers at selected locations used the relocation grant. An analysis of 2011 data showed that relocation grants exceeded the actual costs incurred when the United Nations arranged for shipment of personal effects. However, if staff members had used their full shipment entitlement, it would have cost the Organization significantly more than the lump-sum amounts. The relocation grant also provided flexibility in the administration of shipment and removal entitlements. The Department of Management had not conducted a cost-benefit analysis of the lump-sum option for travel since 1995 to confirm whether the option was achieving the expected results.

59. The Secretariat had accepted all of the audit recommendations and had either initiated actions to implement them or was planning to implement them within specific time frames.

60. **Mr. Thomson** (Fiji), speaking on behalf of the Group of 77 and China, said that the Committee's deliberations should result in better arrangements for the standards of accommodation for air travel that were compatible with the work performed by the staff of United Nations system organizations while taking into account special needs, requirements and conditions of work. He expressed the hope that improved information management with the final roll-out of Umoja would bring greater clarity and certainty to policy and decision-making on air travel. Policy changes in that area, as for all management and financial issues, remained the exclusive prerogative of the Fifth Committee and the General Assembly.

61. **Mr. Torsella** (United States of America) said that, while proper accommodation for official travel by United Nations staff and representatives was necessary, the expenditure of \$575 million on travel under the regular budget in the biennium 2010-2011 and \$194 million on peacekeeping-related travel from July 2009 to June 2011, for a total of \$769 million — comparable to the cost of a major peacekeeping operation and more than one year's funding for all special political missions — was a matter of great

concern. The fact that the total spent under the regular budget was eight times the amount identified for travel in the budget approved by the Assembly raised an issue of transparency in the budget process. When travel made up almost 11 per cent of the regular budget, it was imperative to review and adjust policies; regrettably, the Assembly had been unable to endorse at its sixty-sixth session the Secretary-General's proposals aimed at improving those policies.

62. The United States federal system, which was the comparator for United Nations salaries and benefits, should also serve as the comparator for limitations on those benefits; accordingly, the length of journey for which business class was allowed should be extended from 9 to 14 hours, in line with the rule of the United States civil service. Barring extenuating circumstances, there was no need for United Nations staff to fly business class to Vienna or Brindisi.

63. Other generous and obsolete policies governing travel benefits should also be addressed. Paying the daily subsistence allowance during flight time amounted to reimbursing employees for meals and hotel costs while they were in the air. Moreover, under the current rules for the calculation of total trip time, adding a four-hour stopover to a five-hour flight could result in an upgrade to business class. In addition, the lump-sum payment option, which was based on a fare class that no longer existed, had resulted in payments to travellers of nearly twice the actual cost of travel. A comprehensive revision of policies, rules and guidelines was needed in order to close the loopholes that led to such egregious and wasteful distortions. In addition, the Organization's leadership should be given the guidance and tools required to manage air travel better.

64. The collection and analysis of information on travel should be improved immediately, without awaiting the roll-out of Umoja. OIOS had repeatedly indicated that lack of management information was one of the most critical gaps preventing the Secretary-General from executing Organization-wide changes effectively, and it would be impossible to improve group purchasing policies and strategies or to refine air travel rules without a good understanding of current trends. To that end, the dashboard used by the United Nations Office at Geneva to follow trends in air travel was a good practice that should be implemented system-wide. Providing staff with online booking tools for commonly travelled routes could also help ensure

the lowest fares and simplify the procedure. Such tools could also help management by benchmarking trends and providing data on travel patterns.

65. Savings could also be sought by recalibrating the lump-sum payment policy based on actual utilization rates and market prices and by collecting refunds to which the United Nations was entitled owing to cancellations and changes. Travel requirements should also be consolidated within the United Nations or even system-wide in order to reap economies of scale.

66. The many exceptions being granted to the rules on travel standards were another matter of concern. According to the Secretary-General, 529 exceptions had been granted between July 2010 and June 2012 in order to allow staff and representatives to travel business or first class instead of economy, an increase of nearly 60 per cent over the previous two years. Such exceptions sent the wrong message to the United Nations system and the taxpayers who funded it.

67. Noting that OIOS had recommended an evaluation of the lump-sum option, which had not been adjusted in 20 years, he wondered why the Secretariat had indicated in response that the evaluation could not be undertaken until 2015. Recalling also that in March 2012 the Committee had been informed that 74 per cent of the \$73 million spent on travel from New York and Geneva had been for business class travel, he requested an update of those figures. He also inquired whether exceptions to the standards of accommodation applied only to individuals or also to the parties accompanying them.

Coordination Service), responding to the questions of the United States representative, said that the lump-sum payment option, which gave staff more flexibility in making their own arrangements for home leave travel, was under discussion in the context of Umoja implementation. The current calculation, which was based on 75 per cent of the full economy class fare and had been widely accepted throughout the United Nations common system, covered not only the cost of the ticket but also other expenses that were part of the entitlement. Efforts were under way to reform the calculation in a manner that would be fair and appropriate for staff at all duty stations.

69. With respect to exceptions to the standards of accommodation for air travel, the information provided

in the annexes to the Secretary-General's report (A/67/356) pertained only to the individuals concerned.

70. **Mr. Bronner** (Chief, Commercial Activities Service) said that, in 2012, travel expenditure for Geneva and Vienna had totalled \$66.4 million, of which 54.9 per cent had been for economy class and 39.4 per cent for business class.

The meeting rose at 12.25 p.m.



General Assembly

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Fifth Committee

Summary record of the 24th meeting

Held at Headquarters, New York, on Friday, 8 March 2013, at 10 a.m.

Chair: Mr. Berger. (Germany)
*Chair of the Advisory Committee on Administrative
and Budgetary Questions: Mr. Ruiz Massieu*

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The meeting was called to order at 10.10 a.m.

Agenda item 146: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/67/713 and A/67/749; A/C.5/67/10)

1. **The Chair** drew the attention of the Committee to a letter dated 9 November 2012 from the President of the General Assembly transmitting the report of the Senior Advisory Group on rates of reimbursement to troop-contributing countries and other related issues (A/C.5/67/10).

2. **Ms. Haq** (Under-Secretary-General for Field Support), introducing the Secretary-General's report on the implementation of the report of the Senior Advisory Group (A/67/713), said that the Organization had over 93,000 uniformed personnel in the field implementing complex mandates, often in volatile and hostile environments. She paid tribute to the 111 peacekeepers who had lost their lives in 2012; it was sobering to remember that 3008 peacekeepers had perished in the line of duty since the first peacekeeping mission. Their sacrifice should be honoured and the highest value should be placed on supporting those who dedicated themselves to peacekeeping.

3. She welcomed the emphasis placed by the Senior Advisory Group on a compact that would strengthen the peacekeeping partnership among the Security Council, the General Assembly and the Secretariat. The Department of Field Support would do its part, including by further improving its systems for force

contributing countries and delivery of logistics support. The Department took very seriously its task of supporting troops who were often widely dispersed and worked in harsh terrain; for that reason, she also welcomed the Group's emphasis on the contribution of support functions to mandate delivery.

4. The Senior Advisory Group's report represented a consensus. In implementing its recommendations, if approved by the Assembly, the Secretariat would be guided by the principles of simplicity, transparency and accountability. The Group's proposals recognized the importance of the troop reimbursement system to effective and legitimate peacekeeping and afforded an opportunity to address the challenges that had plagued that system for too long. Recognizing that a sustainable system must be based on actual data on the costs

involved in deploying personnel, the Group proposed an information-gathering mechanism that would enable the Assembly to decide on the reimbursement rate at the second part of its resumed sixty-eighth session. Peacekeeping had changed dramatically in the years since the rate of reimbursement had last been revised, and all parts of the peacekeeping system, including reimbursement, must develop to meet the challenges. The Secretary-General's report proposed steps to implement the Group's recommendations, which were time-bound and entailed a specific timing and sequence in their implementation.

5. On the issue of data, the Group acknowledged that the current questionnaire was technically sound, and proposed that it should be administered using a smaller representative sample of ten contributing countries and an interactive data-collection process. It also recommended a regular four-year review. Upon approval by the Assembly, her Department would implement the revised process, with the support of troop-contributing countries, in order to make the data available by the second part of the resumed sixty-eighth session. Individual countries would not be identified in the presentation of data in order to preserve confidentiality.

6. The Senior Advisory Group also recommended that, until the new rates determined through the revised methodology entered into effect, the Assembly should continue the dual-track approach of funding supplemental payments to troop-contributing countries through savings in peacekeeping budgets. Three

recommended the continuation of a supplementary payment of 6.75 per cent of the base rate of \$1,028 per person per month, from 1 April 2013 to 30 June 2014.

7. Second, the Group recommended that 12-month rotations should be standard for the deployment of uniformed personnel. The Secretary-General proposed no change to the purview of Member States in deciding the rotation of their own troops. While longer rotations had many operational benefits, including better situational awareness of troops and better information-gathering and reporting, the Secretariat recognized that some countries had to rotate their troops more frequently. The Senior Advisory Group gave the Secretary-General some discretion to determine that operational requirements might demand rotation frequencies other than every 12 months.

8. The Group also recognized that the implementation of peacekeeping tasks involved a link between personnel and equipment; a unit without adequate transport could not patrol effectively. The third proposed measure would therefore require the Secretariat to apply a reduction to personnel reimbursement when major equipment was absent or non-functional. If implemented with a direct one-to-one proportional reduction, the measure would affect all troop-contributing countries to some extent, with variation among missions and countries. The measure was an incentive for full compliance that, judiciously applied, would lead to enhanced performance and efficiency. Nevertheless, it would be important to ensure that the reduction, which might be considerable for some countries, did not become a barrier to increased compliance. The impact of all the recommendations would be monitored after a year of operation.

9. To better support the generation and deployment of enabling capacities and expertise, the Group recommended the introduction of two premiums. A premium for key enablers would lead to a capability-based approach to the delivery of mandates and a premium for risk, using criteria suggested by the Group, would recognize an exceptional and sustained level of danger to life, property and premises. The premiums would not apply until a decision had been made on a revised reimbursement rate. The Secretariat was developing proposals on how best to administer the premiums using existing processes and, aware that they represented a departure from the established approach to personnel reimbursement, would proceed with due caution.

10. **Mr. Ruiz Massieu** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/67/749), said that the Advisory Committee had observed that it would be for the General Assembly to pronounce itself on the recommendations of the Senior Advisory Group. Should the Assembly endorse those recommendations, the Advisory Committee had no objection to the course of action set out in paragraph 57 of the Secretary-General's report (A/67/713).

11. **Mr. Thomson** (Fiji), speaking on behalf of the Group of 77 and China, reaffirmed that the Fifth Committee was the Main Committee of the Assembly responsible for administrative and budgetary matters, including the financing of peacekeeping operations. He

said that, over the years, troop-contributing countries had contributed to the maintenance of international peace and security efficiently and cost-effectively while bearing great costs and making sacrifices in sending their troops abroad. The Group of 77 and China looked forward to posing questions in informal consultations about the contents of the Senior Advisory Group's report (A/C.5/67/10), with a view to achieving an outcome on the issue of troop costs that would be agreeable to all.

12. **Mr. Mayr-Harting** (Observer for the European Union), speaking also on behalf of the acceding country Croatia; the candidate countries Iceland, Montenegro, Serbia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania and Bosnia and Herzegovina; and, in addition, Georgia and Ukraine, welcomed the report of the Senior Advisory Group and the consensus it represented. The States members of the European Union had an interest in strong and effective peacekeeping, as almost all of them, in addition to contributing financially, also supported peacekeeping on the ground with uniformed personnel and other capabilities. Moreover, as a regional organization, the European Union played a role in advancing peace and security through cooperation with other regional organizations, such as the African Union, and with the United Nations.

13. The Senior Advisory Group's recommendations were interdependent and thus formed an integral package. While the Group's report did not contain all of the elements desired by any one party, its recommendations afforded a unique opportunity to revitalize the partnership of all those involved in peacekeeping. They offered the best and only chance of finding a long-term solution to the issue of reimbursement rates and avoiding a return to the difficult debates of the past. For that reason, the European Union member States were ready to endorse the package in its current form.

14. **Mr. Chapdelaine** (Canada), speaking also on behalf of Australia and New Zealand, said that the Senior Advisory Group's report presented an equitable, predictable and sustainable system for the reimbursement of troop costs that would strengthen the peacekeeping partnership between the United Nations and Member States. The Group's recommendations, which sought to be comprehensive and to reflect the complex realities of peacekeeping, offered creative and practical solutions to address pressing concerns,

including changes that could be rapidly implemented and easily administered. They dealt holistically with a series of interconnected challenges and should therefore be considered in their totality. Significantly, the Group's report represented consensus among a diverse yet representative cross-section of senior experts. He expressed the hope that the Fifth Committee would be inspired in its deliberations by the positive and results-oriented spirit with which the Group had conducted its work.

15. **Mr. Román-Morey** (Peru) said that the report of the Senior Advisory Group was important not only for countries such as his own that contributed troops and equipment but also for the Organization, given that the task of those troops was to meet the main objective of the Charter: maintaining international peace and security. It was the duty of every Member State to meet that objective. Peru had played a role in United Nations peacekeeping operations since 1958 and a small but significant number of Peruvian troops and observers were currently deployed in several peacekeeping missions. The item under discussion was a matter of priority to his delegation because it related to the sacrifices made by men and women who often endured difficult conditions and put their lives in danger in the effort to maintain peace.

16. The Group's recommendations provided a solid basis for an equitable, predictable and sustainable system of reimbursement to troop-contributing countries. However, given that the matter concerned the living conditions of personnel who had left their

focus solely on the financial advantages of adopting those recommendations as a package, but must also protect the interests of those who served in peacekeeping operations. In particular, he was concerned by the proposed increase in the length of rotations from 6 to 12 months. Such a change might reduce costs, but Member States should not seek savings at the expense of peacekeeping objectives. Keeping troops in the field for 12 months would affect their morale and would be at odds with General Assembly resolution 66/264, which recognized the importance of welfare and recreation for the morale of peacekeeping personnel. It was that type of inconsistency in management that made the Organization less efficient and effective than it should be.

17. Moreover, the Senior Advisory Group had committed a conceptual error in recommending that a penalty should be levied against contingents whose equipment was inoperable. Reimbursements for troops and for equipment were two different things; certainly, a country should not be reimbursed if the equipment it provided did not function, but there should be no penalty against the personnel performing their duties on the ground.

18. Consequently, his delegation could not accept the Group's recommendations as a package and would engage constructively in the deliberations in order to achieve the best outcome for the Organization. He reaffirmed that it was the prerogative of the Fifth Committee to discuss fully and without restriction the matters before it and that responsibility for decision-making lay with the Member States.

19. **Mr. Lieberman** (United States of America), recalling that the Senior Advisory Group had been established after the issue of troop reimbursements had become an obstacle to consensus on the budgets of peacekeeping missions, said that its recommendations sought to address the issue comprehensively and recognized the link between continuing transitional payments and efforts to find efficiencies in peacekeeping. The Group recommended a more streamlined survey to determine reimbursement rates; a review of rates every four years; premiums for facing exceptional risks and providing key enabling capabilities; and incentives for full deployment of contingent-owned equipment. It changed the standard

troop-contributing countries with an interim supplementary payment as a transitional measure. Those recommendations were unlikely to satisfy every Member State and, indeed, did not wholly satisfy the United States; nevertheless, they represented a balance that would be compromised should any of the elements be considered separately. Adopting them as a package offered an opportunity to resolve the contentious question of troop reimbursement while improving the effectiveness of peacekeeping. Failure to agree would exacerbate the acrimony over peacekeeping budgets and jeopardize peacekeeping operations.

20. **Mr. Aiki** (Japan) said that the Senior Advisory Group had comprised representatives of troop contributors, major financial contributors and regional groups, as well as eminent persons, and should

therefore enjoy wide support from Member States. Its recommendations offered fair reimbursement and better conditions for troop performance and would lay a solid foundation for an equitable, predictable and sustainable system; they should therefore be endorsed in their entirety. In particular, the Group recommended a reimbursement system based on actual data on costs; it was to be hoped that an interactive data collection process to replace the previous methodology would result in better information that was obtained more quickly. Considering the time-bound nature of the recommendations and the timing and sequencing of their implementation, it was crucial that the Committee should endorse them at the first part of the resumed session.

21. **Mr. Manjeev Singh Puri** (India) said that, after decades in which the Committee had taken a variety of approaches to the matter of troop reimbursement, the Senior Advisory Group represented the first attempt to address the question in a focused manner. Its recommendations, which had been adopted by consensus, offered an opportunity to resolve a long-standing issue that could be deferred no further. Every effort must be made to consolidate the partnership underpinning peacekeeping; the stakeholders had a duty to preserve that vital activity by rising above national concerns, just as peacekeepers had always done.

22. **Mr. González Segura** (Mexico), commending the women and men who often risked their lives and in some cases had perished while serving as peacekeepers, said that the Senior Advisory Group had been established as a compromise after a difficult negotiation process. His delegation generally agreed with the Group's recommendations, which sought to provide incentives in order to ensure that all parties remained engaged in peacekeeping activities in the medium and long term and to optimize the human and material resources of peacekeeping operations. He stood ready to work with others in examining the Secretary-General's proposals and adjusting them, as necessary. The main goal of the discussion should be to provide the Organization with the means required to discharge its peacekeeping mandates and ensure the sustainability of the system and the peacekeeping compact, which entailed obligations and responsibilities for all parties.

23. **Mr. Masood Khan** (Pakistan) said that it was unlikely that the Senior Advisory Group's report had

been intended as a take-it-or-leave-it proposition; that was not the approach that should be taken to critical peacekeeping issues. The Group's recommendations on troop rotation, contingent-owned equipment and the survey mechanism could create operational difficulties and should be adjusted in order to address Member States' concerns and make them acceptable to all stakeholders. The Committee should take the opportunity to depoliticize its decision-making on the matter for the benefit of future discussions on peacekeeping budgets and other cross-cutting issues.

24. **Mr. Sul Kyung-hoon** (Republic of Korea) said that the Senior Advisory Group was to be commended for presenting a sensible proposal to address the long-standing issue of troop reimbursement rates. Its report could serve as a solid foundation for an equitable, predictable and sustainable mechanism for setting those rates. Fresh ideas such as a 12-month rotation period, reductions in payments for absent or non-functional equipment and premiums for risk and key enablers would help enhance the effectiveness and efficiency of peacekeeping operations. He also concurred that reimbursement rates should be based on empirical data; the Secretariat should expeditiously conduct a survey and analysis of costs based on the Group's recommendations. The additional resources required to continue supplementary payments to troop-contributing countries until 30 June 2014 should be financed mainly through enhanced efficiency and effectiveness of peacekeeping operations. For instance, efficiency gains could be achieved by lengthening the troop rotation period and implementing the global field support strategy. The Group's recommendations, which represented a delicate balance of all stakeholders' positions, should be endorsed as a package.

25. **Mr. Troya** (Ecuador) said that his delegation valued the close partnership between the countries that provided the troops who risked their lives on the ground and those that contributed financially to support peacekeeping missions; both forms of contribution were equally important. He welcomed the recommendations of the Senior Advisory Group, which would guide delegations during their deliberations. Nevertheless, the Group had been established in order to advise the Fifth Committee, not to deliberate in its place; consequently, its report should not be considered untouchable and its conclusions were not binding on Member States. The Committee was the sole body of the Assembly empowered to take decisions on

budgetary and administrative matters, and its work could not be replaced by any advisory group or high-level committee. Moreover, the sole working method that would ensure the adoption of resolutions by consensus was constructive, inclusive, open and good-faith negotiation. Under the Charter and the Assembly's rules of procedure, no shortcut could obviate the Committee's deliberations on the items within its purview.

26. His delegation would examine the reports before the Committee and propose the adjustments and changes it deemed necessary. Delegations should engage in negotiations in order to develop a resolution based on the Senior Advisory Group's report that would be acceptable to all. The report could not, however, be approved in its current form, as it contained proposals that his delegation could not accept.

27. **Ms. Takahashi** (Norway) said that the Senior Advisory Group's recommendations comprised a balanced package that offered the best opportunity for the Committee to find a sustainable solution to a long-standing challenge. She expressed the hope that all delegations would work together in order to achieve such a solution.

Agenda item 129: Review of the efficiency of the administrative and financial functioning of the United Nations (continued)

Progress towards an accountability system in the United Nations Secretariat (A/67/714 and

28. **Mr. Takasu** (Under-Secretary-General for Management), introducing the Secretary-General's second progress report on the accountability system in the United Nations Secretariat (A/67/714), said that, for a culture of accountability to become a core value of the Secretariat, it must first be instilled at the senior levels. For that reason, ethics and integrity featured prominently in the induction programme for senior leaders. In addition, under the Leadership Dialogues programme, managers would engage in dialogue with their staff about ethics and integrity; in 2013, the topic would be the meaning of international civil service.

29. Progress was also being made in communicating with oversight bodies and implementing their recommendations. To that end, the Management Committee invited one of the oversight bodies to

participate in each of its quarterly meetings on oversight issues and the Under-Secretary-General for Internal Oversight Services participated in all such meetings as an observer. Furthermore, as Under-Secretary-General for Management, he met regularly with the oversight bodies to discuss their findings. The increased attention to oversight issues had resulted in a steady increase in the implementation of recommendations over the previous five years.

30. Personal accountability must be strengthened in parallel with institutional accountability. The 2013 senior managers' compacts had therefore been strengthened through better alignment with key initiatives, such as the implementation of the enterprise resource planning system Umoja and the International Public Sector Accounting Standards (IPSAS), and by taking into account the lessons learned on organizational resilience management. In addition, Assistant Secretaries-General signed compacts with their supervisors. Work programmes were being developed for staff below the level of Assistant Secretary-General and the performance appraisal system was being strengthened. As of November 2012, over 50 per cent of managers had participated in the mandatory learning programme designed to support the roll-out of the new Performance Management and Development System.

31. The Secretariat regularly reviewed the mechanisms in place to prevent, identify and manage personal conflicts of interest. A review of the regulatory framework for the financial disclosure

addition, the Ethics Office had established a new category of advice related to procurement.

32. Strengthening the accountability of staff in the field — a complex management challenge — was a priority. Since 2012, field missions had introduced letters of representation as an internal control measure and management accountability tool and the new Integrated Conduct and Discipline Framework had been implemented.

33. Gradual progress was being made in enterprise risk management and internal control across the Secretariat despite resource constraints. Pilot projects had been conducted in offices with high risk potential. An e-learning programme on risk management concepts would be available to all staff and his office

would continue to work with other offices on individual risk assessments. In November 2012, the Management Committee had requested a Secretariat-wide enterprise risk assessment in order to identify the Organization's main strategic risks and related managerial responses. The assessment, to be launched in early 2013, would be used in developing a risk and internal control framework. The schedule, the parties involved and their respective responsibilities were shown in figure I of the report.

34. The Secretary-General also proposed a conceptual framework for results-based management, whose implementation would be the responsibility of the Under-Secretary-General for Management. Figure II set out the proposed integrated approach, which included all the elements of results-based budgeting and, in addition, a human resources dimension and a lessons learned element. The human resources dimension — encompassing senior managers' compacts, the performance management and development system, and the Management Performance Board — was important because it linked personal and institutional objectives and established a bridge between the Organization's financial and human resources strategies. The key policies, standards and tools for results-based management already existed independently of one another; it was now necessary to ensure that they functioned in an integrated and coordinated manner throughout the Organization. To that end, a governance structure, shown in figure III of the report, was being established with clear lines of responsibility and accountability for every senior manager involved in the process.

35. Strengthening accountability in an organization as complex as the United Nations was a daunting and continuous process. To develop an action plan, it was essential first to establish a results-based management framework to guide the Organization and then to mobilize all those involved through the Results-based Management Task Force in order to identify practical measures that would improve the functioning of the required tools. Should the Assembly approve the proposed conceptual framework for results-based management, it would not only make the Organization more results-oriented but would also provide a basis for the design blueprint and baseline configuration of Umoja Extension 2.

36. **Mr. Ruiz Massieu** (Chair of the Advisory Committee on Administrative and Budgetary

Questions), introducing the related report of the Advisory Committee (A/67/776), said that important progress had been made on an accountability framework, but more work remained to be done. Much of the information in the Secretary-General's report was conceptual in nature, with insufficient detail on specific accountability measures and their expected impact. There was no plan with clear objectives and responsibilities and a timeline of specific actions. There was a need to strengthen the quantity, range and frequency of efforts to promote a culture of accountability in the Organization. The Advisory Committee shared the view of the oversight bodies that the key principles of accountability should be embedded in the design of Umoja, whose implementation was imminent. The system of delegation of authority should be defined and updated as a matter of urgency so that Umoja would clearly articulate the different levels of decision-making authority across different operational areas.

37. While the Advisory Committee welcomed improvements aimed at making the senior managers' compacts a more powerful instrument of accountability, it emphasized that those managers had a special responsibility to set the appropriate tone and recommended that the monitoring, oversight and corrective actions taken by the Management Performance Board should be included in future progress reports. On the efforts to improve the performance appraisal system, the Advisory Committee awaited the proposals for a revised rewards and recognition framework and a system of sanctions to address underperformance.

38. Noting the progress made in developing a conceptual framework for results-based management, he said that it was still unclear how the framework would improve accountability and performance and shift the focus from the delivery of outputs to the delivery of results. The Advisory Committee was therefore unable to recommend endorsement of the framework at the current stage.

39. Although the Secretary-General's report outlined progress on a number of initiatives, further development was required in order to communicate ongoing progress, demonstrate real impact and reinforce a culture of increased accountability across the Organization.

40. **Mr. Thomson** (Fiji), speaking on behalf of the Group of 77 and China, said that the Group was concerned that the Secretary-General's report (A/67/714) did not contain a clearly defined and well-documented plan to strengthen accountability, as requested by the General Assembly in its resolutions 64/259 and 66/257. The Secretariat must show commitment to addressing the issue of accountability. Considering the definition of accountability set out in the former resolution and the emphasis in the latter on implementing effective mechanisms that fostered institutional and personal accountability at all levels, the Group was deeply concerned that, in 2012, 59 staff had been guilty of misconduct or falling below the standards of conduct expected from international civil servants, and that the fundamental professional principles for international civil servants had not been fully upheld. The Group agreed with the Advisory Committee that those standards applied to all staff, including senior managers.

41. The Secretary-General's report indicated that only 1 per cent of Secretariat staff had either not met or partially met performance expectations in the 2011-2012 performance cycle. That percentage was unrealistic and the Secretary-General should address the lack of credibility of the performance appraisal system. The report also indicated that the Staff-Management Committee working group on performance management and development would submit recommendations on underperformance, rewards and recognition to the Staff-Management Committee in 2013; the Group would prefer to have

Little progress had been made in implementing performance reporting and results-based management, two pillars of a comprehensive accountability framework, reflecting a lack of willingness to foster a culture of accountability throughout the Secretariat.

42. It was also a matter of concern that the Secretary-General had not given priority to updating the system of delegation of authority, taking into consideration the upcoming implementation of Umoja, despite the Assembly's repeated requests that he should urgently address the deficiencies in the current system. The proper implementation of resolution 66/257 was vital to promote greater transparency, strengthen dialogue and increase the efficiency and effectiveness of the Organization's administrative and budgetary functioning.

43. Lastly, the Group remained of the view that the General Assembly should continue to receive annual progress reports on the implementation of the accountability framework, since they were a critical way to increase accountability to Member States and did not hinder the implementation of accountability initiatives.

44. **Mr. Van Den Akker** (Observer for the European Union), speaking also on behalf of the acceding country Croatia; the candidate countries Montenegro, Serbia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania and Bosnia and Herzegovina; and, in addition, the Republic of Moldova and Ukraine, said that, while many aspects of accountability were now being mainstreamed throughout the Organization, more needed to be done to promote a culture of accountability, demonstrate commitment at senior levels and embed that culture in the core values of the United Nations. Future progress reports should include more practical detail, key performance indicators and statistical information on specific accountability measures and their impact. He looked forward to learning more about the progress made in implementing enterprise risk management and the proposed conceptual framework for results-based management.

45. **Mr. Ballantyne** (New Zealand), speaking also on behalf of Australia and Canada, said that a culture of accountability went beyond the simple posting of a declaration of principles on a website and comprised

Organization. The three delegations welcomed the measures taken, including the development of the Leadership Dialogues programme, and looked forward to receiving information on their impact in the next progress report.

46. He welcomed the completion of the comprehensive review and mapping of the current system of delegation of authority and the intention to further adjust that mapping in the context of the new common business models to be used following the implementation of Umoja. However, the lack of detail in that regard was a source of concern; in particular, the lack of a clear timeline would make it difficult for Member States to hold the Secretariat accountable for completing that important work.

47. The performance appraisal system was another source of concern, since the current system could not be taken seriously. It was to be hoped that the Staff-Management Committee working group would produce specific proposals on a revised rewards and recognition framework and a robust system of sanctions to address underperformance that had the confidence of all stakeholders. The Secretary-General and his senior team had a critical role to play in strengthening the Organization's accountability framework, which included ensuring that the limited resources of the United Nations were used in an effective and efficient manner for their intended purposes.

48. **Mr. Dettling** (Switzerland), speaking also on behalf of Liechtenstein, said that strengthening accountability should be a priority for both the Administration and the Member States. Efforts and progress had been made to that end, but much remained to be done. Much of the information contained in the Secretary-General's report (A/67/714) was conceptual in nature and the principle of accountability had still not been translated into specific measures with a tangible impact. It was also regrettable that the Secretary-General had not yet developed a clearly defined and well-documented plan to strengthen accountability; such a plan was essential to enable Member States to better understand and support the Secretary-General's efforts. It was disappointing that the report did not contain innovative ideas arising from an in-depth analysis of the shortcomings of the current system and a comparison with systems in other organizations, since that could have injected fresh impetus into the discussion of accountability.

49. The proposed conceptual framework and governance structure for results-based management was a positive step, but additional development work was needed. Implementing results-based management was both a priority and a complex task that should include relevant, measurable performance indicators; a system for monitoring and evaluating progress; a strong link between performance and consequences; resource allocation based on strategic priorities and planned activities; and consideration of the cost factor when evaluating performance. The Secretariat should therefore rework its proposal, drawing on the expertise of the Board of Auditors and other relevant bodies.

50. He welcomed the plan to conduct a Secretariat-wide risk assessment and establish an enterprise risk management and internal control framework, which

should be implemented as soon as possible. To become operational, that framework would have to be integrated into the decision-making processes of the Secretariat and the General Assembly.

51. **Mr. González Segura** (Mexico), welcoming the plan of action for strengthening accountability and the designation of the Under-Secretary-General for Management as the senior official responsible for the implementation of results-based management, said that much work nevertheless remained to be done. He urged the Secretary-General to provide detailed information on the measures taken to promote a genuine culture of accountability in the Secretariat, rather than formulating general principles.

52. During the Committee's deliberations on the matter, his delegation would promote the development of an effective, widespread culture of accountability among United Nations officials, including through support for the work of the Ethics Office; an appropriate definition of the concept of accountability; and a system of institutional and personal accountability based on the highest ethical standards. It would also promote the strengthening of the financial disclosure programme and policies to protect whistle-blowers in order to discourage and penalize corruption; the identification of key risks that required targeted efforts; the establishment of an accountability system that included effective performance appraisal in addition to financial disclosure; and greater transparency and public access to United Nations official documents, taking into account legal or political restrictions.

53. **Mr. Takasu** (Under-Secretary-General for Management), acknowledging the concern expressed by delegations at the absence of a specific plan of action, said that the General Assembly had only recently agreed on a definition of accountability. Progress had been made in implementing results-based management, but integrating results-based budgeting with human resources management was an ongoing challenge. He was keenly aware of the need to establish a detailed action plan and timeline; to do that, however, a true understanding of what was meant by results-based management was needed. The proposed framework required refinement and he would welcome suggestions on how it could be improved.

54. Results-based management had many components and the process owners involved in its

implementation would need the support of all stakeholders. The Results-based Management Task Force would be crucial in mobilizing programme managers. He acknowledged the disappointment expressed by several delegations concerning the system of delegation of authority, which was a key issue but also a complicated one. The existing system must be standardized, simplified and streamlined. Through implementation of Umoja, the United Nations was embarking on that process with a clear timeline, but the Secretariat was not yet in a position to report on the outcome of that major undertaking.

Agenda item 130: Programme budget for the biennium 2012-2013 (continued)

Information and communications technology
(A/67/119 and Add.1, A/67/651 and Add.1 and A/67/770)

55. **Mr. O'Farrell** (Chair of the Audit Operations Committee of the United Nations Board of Auditors), introducing the report of the Board of Auditors on the handling of information and communications technology (ICT) affairs in the Secretariat (A/67/651), said that the audit had been conducted in response to General Assembly concern about progress in implementing ICT reform and the ICT strategy approved in 2008, as well as governance problems and lack of progress in the implementation of Umoja.

56. Effective use of ICT was increasingly critical to a wide range of United Nations activities and a key enabler of business transformation. Gaining a better

highly decentralized Organization was at the core of the Secretariat's plans for ICT reform and the development of an ICT strategy. Although significant progress had been made at the operational level, the Administration had failed to deliver a more corporate, coherent strategy. As a result, the current strategy needed to be reshaped to have a realistic chance of success. It should be based on an in-depth understanding of the current and future United Nations service delivery model, the Organization's business objectives and priorities, and its decentralized nature. In addition, it should prioritize delivery of Umoja and incorporate the benefits of streamlined business processes.

57. One of the Board's main findings was that the ICT strategy was incomplete and its objectives had not

been achieved due mainly to a lack of direction and funding. Moreover, it did not adequately address Umoja, information security or peacekeeping. On business transformation, the aim of delivering a globally consistent operating model had been hampered by a lack of understanding of the United Nations culture and business environment and other factors that needed to change in advance of changes in how the Organization operated. There was a need for better definition of the corporate activities that required strong central control and those that required operational freedom and delegation. The role of the Chief Information Technology Officer, which was not clearly defined, had been largely operational; as a result, both the Officer and senior management had given insufficient attention to business transformation and strategic leadership of the ICT function, and had failed to develop and enforce corporate ICT standards and policies.

58. The United Nations governance and accountability framework was not aligned with the Administration's ambitions for ICT-enabled transformation. Funding was fragmented and short-term across the Secretariat, resulting in local tactical and operational delivery instead of an emphasis on strategic and corporate priorities. The ICT governance structure had proved ineffective in setting strategic direction or prioritizing issues, and roles, reporting lines and accountability remained unclear. A lack of consolidated management information on ICT expenditure prevented effective monitoring, prioritization and transparency in respect of ICT costs, thereby undermining ICT management and

59. The Office of Information and Communications Technology (OICT) remained focused on day-to-day operations, rather than leading business transformation, executing a global strategic agenda or driving innovation. The information security environment fell far short of what would be expected in a modern, global organization and must be addressed as a matter of urgency. Senior management had not established effective accountability for improving ICT security across the Secretariat and was not monitoring attacks against its systems. The absence of a software application strategy had resulted in the local development of applications, which increased security risks, offered poor value for money and exposed the Organization to exploitation by unscrupulous vendors.

60. All of the Board's recommendations — most notably on the urgent need to improve ICT security — had been accepted by the Administration, although the Board had yet to see the detailed actions underlying the general proposals formulated. It would take time to re-establish a strategy that would be accepted by senior management, together with the associated delivery structures and process, and it would be unrealistic to expect the Administration to have resolved all its problems already. However, the Board was reassured by the seriousness with which management was tackling the complex Organization-wide matters raised in its report.

61. **Mr. Takasu** (Under-Secretary-General for Management), introducing the report of the Secretary-General on the implementation of the recommendations of the Board of Auditors on the handling of information and communications technology affairs in the Secretariat (A/67/651/Add.1), said that the Administration had accepted all the Board's recommendations and was already working to implement them. It would conduct a comprehensive review of its ICT strategy, governance, operations, structure and resource allocation, and would submit a report to the General Assembly at its sixty-eighth session, including an update on the status of implementation of the Board's recommendations.

62. The Administration's thinking at the current stage was that the ICT strategy should be revised to align it with the Organization's business support strategies, with Umoja at the centre. It should also include information security and should apply to all departments and offices without exception. Designing a revised ICT governance structure would be a challenge, as the United Nations was a complex organization whose many offices had a high degree of autonomy. The Secretariat would work with all heads of departments and offices to develop a governance structure that was directly linked to the Organization's business model and allowed some decisions to be taken centrally and others to be delegated.

63. The Administration agreed that the renamed Chief Information Officer should play a lead role in major transformation projects and should be assisted by a Chief Technology Officer responsible solely for technology and operational issues rather than strategic issues. However, both functions should be under the supervision of the Under-Secretary-General for Management. On information security, the

Administration had taken immediate steps to address the most urgent shortcomings and devise a long-term strategy; further information on those steps would be provided during the informal consultations. The Department of Management was committed to improving the Organization's ICT systems and the Secretariat as a whole would build on its operational strengths and commitment to quality service.

64. **Mr. Ruiz Massieu** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/67/770), said that the Advisory Committee had frequently stressed the need for a coherent, coordinated and accountable approach to managing ICT activities, and the 2008 ICT strategy had been designed to address those issues. It was therefore disappointed to note the Board's conclusion that the Organization had been unsuccessful in enforcing a more centralized ICT implementation and delivery strategy and addressing the high level of fragmentation of the current ICT environment. The difficulties encountered mirrored those experienced by the United Nations in implementing major business transformation projects such as Umoja.

65. ICT was an integral part of business transformation initiatives. However, the current strategy did not sufficiently emphasize the enterprise resource planning system as the single largest ICT-enabled business transformation project of the United Nations, nor did it sufficiently address information security issues or peacekeeping activities, which accounted for some 75 per cent of total ICT expenditure. Given the large number of reform initiatives under way, the Secretary-General should prioritize efforts, develop a practical course of action and, to the extent possible, adopt a sequential approach to implementing the ICT strategy, should it not be feasible to implement all aspects simultaneously. Priority should be given to identifying and putting in place the measures required to implement Umoja, including a strategy to address the decommissioning of the 700 applications it would replace and standards for desktops interfacing with the new system.

66. The Advisory Committee recommended that the Assembly should request the Secretary-General to implement his action plan on information security as a matter of priority; take prompt steps to eliminate any obstacles to implementing the plan or information security policies throughout the Secretariat; and

consider all options for prioritizing and redeploying resources and avoid, to the extent possible, requesting additional resources. It also recommended that the Secretary-General should be requested to fill promptly the critical position of Chief Information Technology Officer, which had been vacant since July 2012.

67. **Ms. Frueh** (Executive Secretary, Joint Inspection Unit), introducing the report of the Joint Inspection Unit on ICT governance in United Nations system organizations (A/67/119), said that it contained 11 recommendations: one addressed to the legislative bodies of the United Nations system organizations, nine to their executive heads and one to the Secretary-General in his capacity as Chair of the United Nations System Chief Executives Board for Coordination (CEB). They were designed to strengthen the ICT governance frameworks of those organizations, including their governance committees; strategies; the role and responsibilities of the Chief Information Officer; risk management, performance and oversight; and investment. The report also recommended further enhancing ICT coordination and cooperation among United Nations organizations with guidance from CEB. She drew attention to the note by the Secretary-General on ICT governance in United Nations system organizations (A/67/119/Add.1), in which he indicated that organizations largely supported the Unit's analysis and conclusions and were implementing its recommendations.

68. **Mr. Thomson** (Fiji), speaking on behalf of the Group of 77 and China, said that a sound ICT

timely information. Recalling General Assembly resolutions 60/283 and 63/262, he expressed concern that the Organization had failed to implement a workable ICT strategy. Duplication and fragmentation continued to characterize United Nations data and information processes and had resulted in the systematic hemorrhaging of resources and higher costs. The Secretariat must learn from its mistakes in adjusting its approach, since the current ICT strategy did not provide a clear direction or describe how ICT changes were essential to business needs or to the core objectives of the United Nations. Any new ICT strategy must be aligned with the Organization's transformation goals and initiatives, including Umoja, IPSAS and the global field support strategy. The apparent lack of collaboration among OICT, the Umoja team and the

Department of Field Support in enabling transformation was another source of concern.

69. It was vital to take into account the autonomous nature of some entities and their ICT requirements. The ICT strategy should be aligned with the Organization's business objectives and should take into consideration the specific data requirements of peacekeeping operations in order to provide security, availability and flexibility. The Secretary-General should seek further opportunities for synergies and for the adoption of common solutions and standards across the United Nations system, in accordance with resolution 64/289 on system-wide coherence. Ultimately, an appropriate balance must be struck between centralized and delegated ICT activities.

70. A global operational framework for ICT security, business continuity and disaster recovery was required, since the existing fragmented approach exposed the Organization to considerable ICT risks. The action plan to address security concerns should be implemented in a targeted manner and the information security charter and associated policy documents should be adopted without delay to ensure accountability. He looked forward to receiving an update on the status of implementation of the action plan at the sixty-eighth session of the General Assembly.

71. It was worrying that the crucial function of Chief Information Technology Officer had been vacant since July 2012. In advertising the post, it was important to consider the implications of the Board's recommendations, given that they concerned the

wondered why the post of head of the Strategic Management Service had been vacant for 18 months, as that had meant that only a small proportion of OICT staff were dedicated to executing a challenging global strategic agenda, leading change or driving innovation.

72. He welcomed the plan to review the Secretariat's operating model in order to deliver the new ICT strategy and Organization-wide changes to support the Chief Information Technology Officer and looked forward to examining the report on global service delivery models to be submitted to the Assembly at its sixth-eighth session, as well as a comprehensive report which fully addressed the mandates on ICT conferred by the Assembly.

73. **Mr. Dettling** (Switzerland), welcoming the Board's call for a new ICT strategy, said that such a

complex undertaking would take time, and therefore a discussion of that subject at the Assembly's sixty-eighth session would be premature. A sequential approach would be more realistic than trying to implement all aspects of the strategy simultaneously. Priority should be given first to strengthening information security, second to developing and implementing a strategy to govern the wide range of software applications used in the Secretariat and lastly to ensuring transparency in ICT expenditure. Specific proposals should be presented to the General Assembly as soon as possible so that it could act on those three fronts.

74. It was important to strike the right balance between centralized control and decentralized operational freedom for different processes. To that end, an in-depth analysis should be carried out to determine the Organization's culture and needs, and the environment in which the strategy would be deployed. Moreover, the ICT architecture should be integrated into the Organization's broader communications strategy. The question of how ICT enhanced the efficiency of the United Nations should also be analysed, since it was not just a support tool for administrative processes but a central force driving the modernization process.

The meeting rose at 1 p.m.